



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

THE DIRECTOR

December 6, 2002

MEMORANDUM FOR HEADS OF SELECTED EXECUTIVE AGENCIES

FROM: MITCHELL E. DANIELS, JR.

SUBJECT: Requirements of the Accountability of Tax Dollars Act of 2002

On November 7, 2002, the President signed Public Law 107-289, the Accountability of Tax Dollars Act of 2002. This Act extends to your agency a requirement to prepare and submit to the Congress and the Director of the Office of Management and Budget (OMB) an audited financial statement for the preceding fiscal year, beginning with the fiscal year (FY) 2002 cycle. This new Act does not affect departments and agencies already required to perform this function under another statute such as the Chief Financial Officers Act.

The Act permits the OMB Director to waive this requirement during an initial transition period. I am waiving the requirement for FY 2002 for those agencies that have not prepared audited financial statements in the past.

A key tenet of the President's Management Agenda initiative to improve financial performance is a clean audit opinion, and each agency should strive to achieve that goal as soon as practicable. Agencies subject to this new Act should begin to plan for the financial statement audits for FY 2003 within appropriated levels. You should also contact your Resource Management Office (RMO) at OMB immediately to explore options for performing this work for FY 2004 and beyond.

The provisions of OMB Bulletin 01-09, "Form and Content of Agency Financial Statements," (<http://www.whitehouse.gov/omb/bulletins/b01-09.html>) will apply to your agency for FY 2003. This bulletin requires agencies to consolidate their audited financial statements and other financial and performance reports into combined Performance and Accountability Reports. "Form and Content" also accelerates the due date for submitting the Performance and Accountability Report for FY 2003 to January 30, 2004. FY 2004 reports will be due on November 15, 2004.

Please contact Joseph L. Kull, Deputy Controller, on 202-395-3993, if you have questions about the requirements of the Accountability of Tax Dollars Act of 2002.

Attachment

Agencies Affected by the Accountability of Tax Dollars Act of 2002

Advisory Council on Historic Preservation
African Development Foundation
American Battle Monuments Commission
Appalachian Regional Commission
Architectural and Transportation Barriers Compliance Board
Armed Forces Retirement Home
Barry Goldwater Scholarship and Excellence in Education Foundation
Chemical Safety and Hazard Investigation Board
Christopher Columbus Fellowship Foundation
Commission on Civil Rights
Commission of Fine Arts
Commission on Ocean Policy
Commission for the Preservation of America's Heritage Abroad
Committee for Purchase from People Who Are Blind or Severely Disabled
Consumer Product Safety Commission
Corporation for Public Broadcasting
Court of Appeals for Veterans Claims
Defense Nuclear Facilities Safety Board
Delta Regional Authority
Denali Commission
Equal Employment Opportunity Commission
Farm Credit Administration
Farm Credit System Financial Assistance Corporation
Farm Credit System Insurance Corporation
Federal Communications Commission
Federal Election Commission
Federal Financial Institutions Examination Council Appraisal Subcommittee
Federal Housing Finance Board
Federal Labor Relations Authority
Federal Maritime Commission
Federal Mediation and Conciliation Service
Federal Mine Safety and Health Review Commission
Federal Retirement Thrift Investment Board
Federal Trade Commission
Harry S Truman Scholarship Foundation
Institute of American Indian and Alaska Native Culture and Arts Development
Institute of Museum and Library Services
Inter-American Foundation
James Madison Memorial Fellowship Foundation
Japan-U.S. Friendship Commission
Marine Mammal Commission
Merit Systems Protection Board
Morris K. Udall Scholarship and Excellence in National Environmental Policy Foundation
National Archives and Records Administration

National Capital Planning Commission
National Commission on Libraries and Information Science
National Council on Disability
National Credit Union Administration
National Endowment for the Arts
National Endowment for the Humanities
National Labor Relations Board
National Mediation Board
National Transportation Safety Board
National Veterans Business Development Corporation
Neighborhood Reinvestment Corporation
Nuclear Waste Technical Review Board
Occupational Safety and Health Review Commission
Office of Government Ethics
Office of Navajo and Hopi Indian Relocation
Office of Special Counsel
Offices of Independent Counsel
Pacific Charter Commission
Peace Corps
Pension Benefit Guaranty Corporation
Postal Rate Commission
Presidio Trust
Railroad Retirement Board*
Securities and Exchange Commission
Selective Service System
Smithsonian Institution
Smithsonian Institution/John F. Kennedy Center for the Performing Arts
Smithsonian Institution/National Gallery of Art
Smithsonian Institution/Woodrow Wilson International Center for Scholars
Trade and Development Agency
U.S. Holocaust Memorial Museum
U.S. Institute of Peace
United States International Trade Commission
Vietnam Education Foundation

* Erroneously omitted from the original attachment; added December 13, 2002.